

BANK OF THE CAROLINAS CORPORATION

	CPP Disbursement Date 04/17/2009	RSSD (Holding Company) 3447398	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev		
Assets	\$534	\$486	-9.1%		
Loans	\$366	\$308	-15.9%		
Construction & development	\$35	\$32	-10.1%		
Closed-end 1-4 family residential	\$79	\$79	-0.2%		
Home equity	\$31	\$30	-5.5%		
Credit card	\$0	\$0			
Other consumer	\$3	\$2	-23.6%		
Commercial & Industrial	\$52	\$34	-33.7%		
Commercial real estate	\$154	\$120	-22.1%		
Unused commitments	\$34	\$29	-15.5%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$48	\$62	27.7%		
Asset-backed securities	\$0	\$0			
Other securities	\$62	\$51	-18.2%		
Cash & balances due	\$11	\$8	-28.1%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$486	\$464	-4.6%		
Deposits	\$417	\$417	0.0%		
Total other borrowings	\$68	\$45	-32.9%		
FHLB advances	\$22	\$0	-100.0%		
Equity					
Equity capital at quarter end	\$48	\$22	-54.3%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	8.2%	4.1%	--		
Tier 1 risk based capital ratio	10.1%	5.7%	--		
Total risk based capital ratio	11.3%	6.9%	--		
Return on equity ¹	-18.0%	-122.6%	--		
Return on assets ¹	-1.7%	-6.5%	--		
Net interest margin ¹	3.2%	2.9%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans}}	27.8%	42.5%	--		
Loss provision to net charge-offs (qtr)	117.0%	83.6%	--		
Net charge-offs to average loans and leases ¹	3.3%	4.5%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2010	2011	2010	2011	
Construction & development	6.4%	5.6%	0.4%	1.7%	--
Closed-end 1-4 family residential	4.6%	8.7%	0.3%	0.5%	--
Home equity	1.4%	0.1%	0.2%	0.3%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	3.2%	0.4%	1.9%	1.0%	--
Commercial & Industrial	5.9%	3.6%	3.0%	3.4%	--
Commercial real estate	9.8%	7.0%	0.6%	1.1%	--
Total loans	6.7%	6.2%	0.8%	1.2%	--